

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**LOK SABHA**

**UNSTARRED QUESTION NO. 4155 TO BE ANSWERED ON : 20.12.2024**

**Affordability of Fertilizers**

**4155. DR. KIRSAN NAMDEO:**

Will the Minister of **CHEMICALS AND FERTILIZERS** be pleased to state:

- (a) whether the Government is taking any steps to ensure that fertilizers remain affordable to the farmers in the country;
- (b) if so, the details thereof;
- (c) whether any scientific study has been conducted to assess the impact of chemical fertilizer on the soil and plants; and
- (d) if so, the details thereof including the steps taken/proposed to be taken by the Government to phase out all chemical fertilizers in the country?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

**(SMT. ANUPRIYA PATEL)**

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(a) & (b): For Phosphatic & Potassic (P&K) fertilizers, Government has implemented Nutrient Based Subsidy (NBS) scheme w.e.f. 1.4.2010. Under NBS scheme, a fixed amount of subsidy, decided on annual/bi-annual basis, is provided on subsidized P&K fertilizers depending on their nutrient content including Di-Ammonium Phosphate (DAP). Under this scheme, MRP is fixed by fertilizer companies as per market dynamics at reasonable level which is monitored by the Government. The P&K sector is a decontrolled and under the NBS scheme the companies are free to take initiatives to produce/import fertilizers as per market dynamics.

Further, in order to ensure smooth availability of DAP at affordable prices to farmers, Government has provided special packages on DAP over and above the NBS subsidy rates on need basis. Recently, in 2024-25, due to geo-political situation, adversely affecting the viability of procurement of DAP by the fertilizer companies, the Government has approved One-time special package on DAP beyond the NBS rates on actual PoS (Point of Sale) sale of DAP for the period from 01.04.2024 till 31.12.2024 @ ₹ 3500 per MT to the P&K fertilizer companies to ensure sustainable availability of DAP at affordable prices to the farmers. Further, the guidelines on evaluation of reasonableness of MRPs fixed by the P&K Fertilizer companies also ensure availability of fertilizers at affordable prices to farmers.

Urea, is provided to the farmers at a statutorily notified Maximum Retail Price (MRP). The MRP of 45 kg bag of urea is Rs.242 per bag (exclusive of charges towards neem coating and taxes as applicable) and the MRP has remained unchanged since 01.03.2018 to till date. The difference between the delivered cost of urea at farm gate and net market realization by the urea units is given as subsidy to the urea manufacturer/importer by the Government of India. Accordingly, all farmers are being supplied urea at the subsidized rates.

(c) & (d): The Indian Council of Agricultural Research (ICAR) under All India Coordinated Research Project on 'Long-Term Fertilizer Experiments' has assessed the impact of long-term use of chemical fertilizers in different soil types (fixed locations) under dominant cropping systems. Investigations carried out over five decades at fixed sites have indicated that there is no harmful effect of chemical fertilizers on soil fertility with balanced and judicious use. However, imbalanced use of chemical fertilizers coupled with low addition of organic matter over years may cause multinutrient deficiencies vis-à-vis decline in soil health. Continuous use of nitrogenous fertilizer alone had deleterious effect on soil health and crop productivity showing deficiencies of other nutrients. The investigation over the last few decades indicated that even in NPK fertilized system, nutritional disorders in terms of deficiency of micro and secondary nutrients surfaced after few years affecting soil health and crop productivity. Highest decline in crop yield was observed in plot receiving only urea. In case of drip irrigation (fertigation), comparable crop yield can be obtained with less amount of water and fertilizers due to higher water and nutrient use efficiencies.

ICAR recommends soil test based balanced and integrated nutrient management through conjunctive use of both inorganic and organic sources (manure, biofertilizers etc.) of plant nutrients for judicious use of chemical fertilizers and to improve soil health. The ICAR also imparts training, organises FLDs etc. to educate farmers on all these aspects. All these measures reduce chemical fertilizer use in the country.

Further, the Government has approved the Market Development Assistance (MDA) @ Rs. 1500/MT to promote organic fertilizers, i.e. manure produced at plants under GOBARdhan initiative covering different Biogas/CBG support schemes/programmes of stakeholder Ministries/Departments such as Sustainable Alternative Towards Affordable Transportation (SATAT) scheme of Ministry of Petroleum and Natural Gas (MoPNG), 'Waste to Energy' programme of Ministry of New & Renewable Energy (MNRE), Swachh Bharat Mission (Rural) of Department of Drinking Water & Sanitation (DDWS), etc. with total outlay of Rs. 1451.84 crore (FY 2023-24 to 2025-26), which includes a corpus of Rs. 360 crore for research gap funding, etc.

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